

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach, Director
Oil Conservation Division



Response Required - Deadline Enclosed

Field Inspection Program
"Preserving the Integrity of Our Environment"

HOBBS OCD

JUL 25 2016

RECEIVED

25-Jul-16

EOR OPERATING COMPANY
777 N. Eldridge Pkwy Suite 150
Houston TX 77079-7079

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

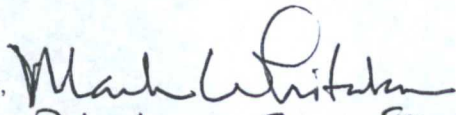
Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

MILNESAND UNIT No.163		J-12-8S-34E		30-041-00244-00-00		
Inspection Date	Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	Corrective Action Due By:	Inspection No.
07/25/2016	Routine/Periodic	Mark Whitaker	Yes	No	8/26/2016	iMAW1620742082
Violations						
Surface Damage/Restoration						
Comments on Inspection:		DO NOT RELEASE BOND. 1 secondary pole on location and 3 primary poles to south need to be removed. IF POLES BELONG TO POWER PROVIDER, NEED TO CONTACT AND REQUEST ALL POLES AND EQUIPMENT NORTH OF POLE # 92884 BE REMOVED. PLEASE FURNISH OCD A COPY OF CORRESPONDENCE. LOCATION CAN BE RELEASED FOLLOWING RECEIPT OF CORRESPONDENCE.				

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,


Petroleum Engr. Specialist

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

*Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER

FIRST-CLASS MAIL

\$000.46⁵

07/26/2016 ZIP 88240
012E14642224

US POSTAGE

EOR OPERATING COMPANY
777 N ELDRIDGE PKWY, SUITE 150
HOUSTON, TX 77079-7079